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May 24, 2017

Edwin N. Lavergne Principal lavergne@fr.com 202 626 6359 direct

Marlene H. Dortch Secretary Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

#### Re: NOTICE OF ORAL EX PARTE PRESENTATION

Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42); Telecommunications Carriers Eligible for Universal Service Support (WC Docket No. 09-197); Connect America Fund (WC Docket No. 10-90)

Dear Ms. Dortch:

I am writing pursuant to Section 1.1206(b)(2) of the Commission's rules to report that on May 24, 2017, Phyllis White from the Beaufort County School District; Trey Judy, Director-Regulatory Affairs, Hargray; Donna Balaguer, outside counsel, Beaufort County School District met with Trent Harkrader, Associate Bureau Chief, Wireline Competition Bureau; Ryan Palmer, Division Chief, Telecommunications Access Policy Division, Wireline Competition Bureau; Jodie Griffin, Deputy Division Chief, Telecommunications Access Policy Division, Wireline Competition Bureau; and Christian Hoefly, Jr., Attorney Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau. During the meeting, we presented the attached three-phase plan which is designed to close the homework gap in Beaufort County, South Carolina.

Respectfully submitted,

1s1 Edwin N. Lavergne

Edwin N. Lavergne

cc Trent Harkrader
Ryan Palmer
Jodie Griffin
Christian Hoefly, Jr.
Phyllis White
Trey Judy
Donna Balaguer

# Beaufort County School District Lifeline Proposal

## Introductions

- Phyllis White, Beaufort County School District
- Trey Judy, Director-Regulatory Affairs, Hargray
- Ed Lavergne, Outside FCC Counsel to Beaufort, Fish & Richardson
- Donna Balaguer, Outside FCC Counsel to Beaufort, Fish & Richardson

## Beaufort County School District (BCSD)

- ❖ ~22,000 students in nearly 600 square miles, including remote communities along the South Carolina coast.
  - > 39 Schools: 21 elementary schools, 7 middle schools, 2 PK-8 schools, 1 K-8 charter school, 6 high schools, a career center, and an alternative program.
- One of South Carolina's fastest growing communities, with a diverse population.
  - Nearly 67% of BCSD students qualify for free or reduced price meals.
  - > 59% minority (28% African-American and 26% Hispanic).

## The Problem: Homework Gap

- Over 6,000 BCSD students don't have broadband access at home - they cannot afford it or they live in remote areas without Internet service.
  - The FCC recognizes the need to close the digital divide and Chairman Pai has promoted reforms to accelerate broadband buildout.
  - BCSD is developing and has started implementing a three-phase plan to close the homework gap for its students on an even more accelerated timetable and without cost to the students.

## An Innovative Solution

- \* BCSD has already provided students with mobile tablets and laptop computers. It will continue to do so at its ongoing expense.
- ❖ BCSD is prepared to invest a <u>significant amount of its own funds</u> to build wireless infrastructure for student use.
- Hargray is prepared to build the infrastructure, <u>leveraging its</u> <u>existing network</u>.
- The missing piece is the recurring broadband access costs, which students cannot afford. But, <u>Lifeline funds could pay the recurring</u> costs.

## Phase 1 – Connect2Learn

- Completed in 2015. Each BCSD classroom is connected to WiFi.
- BCSD provides all students with mobile tablets and laptops.
  - Students in grades 6-12 can take the devices home at the end of the school day.
  - Devices are filtered to block access to inappropriate content.

## Phase 2 – WiFi Hot Spots

#### Deploy ~80 WiFi hotspots in Beaufort County parks.

- Hargray would build the infrastructure and leverage its existing fiberbased network.
- Close the homework gap for ~50% of BCSD's students that live within a mile of a hot spot.

#### Costs and Timeline.

- Estimated construction cost is \$2.8 million, which will be paid by BCSD. Estimated construction time is 12 months.
- Estimated recurring service costs are \$800,000 per year.

## Phase 3 – WiFi Dome

- Construct WiFi dome that covers 85% of Beaufort County.
  - Existing Hargray business and residential customers will receive upgraded equipment that will support multiple SSIDs. A new SSID will be made available exclusively to BCSD students.
  - > ~17,600 students will be able to obtain off-campus Internet access.
- Costs and Timeline.
  - Estimated cost of construction is \$3.8 million, which will be paid by BCSD. Estimated construction time is 24 months.
  - Estimated recurring service costs are \$600,000 per year.

## Cost Summary

- Phase 2 Construction ~\$2.8 million
   Phase 3 Construction ~\$3.8 million
   Total Construction ~\$6.6 million
  - BCSD is prepared to pay the construction costs out of its own funds.
- ❖ Annual recurring service cost ~\$1.4 million
  - Additional resources are needed. This is where Lifeline benefits can help.

## Lifeline Proposal

- ❖ In June 2016, we proposed to aggregate the Lifeline benefits of eligible BCSD students so BCSD could pay the recurring broadband charges.
- There was concern over implementation of the aggregation concept, particularly the need for an ETC to verify Lifeline eligibility.
- \* Hargray is willing, with BCSD's assistance, to act as the "aggregator" by signing up students for individual Lifeline accounts and apply those funds to the BCSD/Hargray contract.
  - Hargray will pursue ETC-designation in BCSD students' areas.

## Lifeline Proposal

- Rules that may be implicated by the plan:
  - BCSD devices are filtered to prevent access to inappropriate content. See Section 54.101(a)(2) ("eligible broadband Internet access services must provide the capability to transmit data to and receive data by wire or radio from substantially all Internet endpoints.").
  - BCSD retrieves the devices from students over the summer break (to refresh and inventory the devices and retrieve them from moving or graduating students). See Section 54.405(a) (ETCs must "make available Lifeline service ... to qualifying low-income consumers."). Lifeline services may not always be "available" during the summer to households who sign up for Lifeline to support a BCSD device.
  - Some student households may already be Lifeline subscribers and will need to switch to Hargray broadband Lifeline. See Section 54.411(a) and (b) (Benefit portability rules).

## Lifeline Goals

- The BCSD plan serves the fundamental goals of the Lifeline program by closing the digital divide, specifically the homework gap.
- The innovative nature of the plan mitigates the opportunity for fraud, waste and abuse.
  - BCSD is putting its own money at stake!

## Questions/Next Steps

#### For more information, please contact:

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